# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

### FISCAL IMPACT STATEMENT

**LS 7544 DATE PREPARED:** Jan 6, 1999

BILL NUMBER: HB 1344 BILL AMENDED:

**SUBJECT:** Hospital staffing requirements.

**FISCAL ANALYST:** Ron Sobecki **PHONE NUMBER:** 232-9854

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation</u>: This bill requires a hospital with at least 100 beds to have on duty at all times at least one licensed physician who is assigned to serve only nonemergency patients. The bill prohibits a hospital from requiring a physician assigned to serve nonemergency patients to serve emergency patients during the same period.

Effective Date: July 1, 1999.

#### **Explanation of State Expenditures:**

## **Explanation of State Revenues:**

Explanation of Local Expenditures: There is a potential fiscal impact to this bill in the form of personnel costs for publicly funded hospitals that have to increase their staffing to provide 24 non-emergency physician coverage. There are 126 acute care hospitals in Indiana. Sixty of these have 100 or more beds and 17 have 24 hour non-emergency coverage using interns, residents, or physicians on duty within the hospital. Twenty-six of the 60 hospitals that have 100 beds or more are city-county or county hospitals that may receive some public funds.

Some hospitals feel they would have to hire 4 additional full time physicians to ensure 24 hour coverage, 365 days per year. The annual salary and benefits of a family practitioner is estimated to be approximately \$175,000. It is difficult to determine the total fiscal impact to each hospital, because some hospitals have physicians on duty part of the time, but not necessarily 24 hours per day.

## **Explanation of Local Revenues:**

#### **State Agencies Affected:**

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**Local Agencies Affected:** County, or city-county hospitals with more than 100 beds.

<u>Information Sources:</u> Spencer Grover, Indiana Hospital and Health Care Association, 633-4870.

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